

**MINUTES OF TELEPHONIC MEETING
ILLINOIS GAMING BOARD
March 5, 2004
CHICAGO, ILLINOIS**

NOTE: ITEMS IN **BOLDFACE PRINT** REFLECT OFFICIAL BOARD ACTIONS

A Special Meeting of the Illinois Gaming Board ("Board") was held on March 5, 2004. The Board met in the conference room of the Gaming Board Offices on the 3rd floor at 160 N. LaSalle for closed session.

The following Board Members were present: Chairman Elzie Higginbottom, Members Violet Clark, William Dugan, Gary Peterlin and William Fanning.

The meeting convened at 8:33 A.M. Pursuant to Section 2(c), paragraphs (1), (11), and (14) of the Open Meetings Act and Section 6(d) of the Riverboat Gambling Act, Member Fanning moved that **the Board retire to Closed Session to discuss the items listed under Closed Session on today's agenda and relating to the following subject matters:**

- 1. Investigations concerning applicants and licensees;**
- 2. Pending litigation and matters involving probable litigation; and**
- 3. Personnel matters.**

Member Dugan seconded the motion. The Board approved the motion unanimously by voice vote.

The Board convened its Open session at 10:30 A.M.

Owner Licensee Items

EMERALD CASINO INC. – SELECTION OF THE LEADING BIDDER BY THE ILLINOIS GAMING – Chairman Higginbottom stated that on January 29, 2004, the Board received seven proposals for the sale of the Emerald license. Chairman Higginbottom stated that on February 25, 2004, the proposals were reduced from seven to three. Chairman Higginbottom stated that the purpose of the meeting today is to announce to the public the lead bid among those three.

Interim Administrator Tamayo stated that the initial proposals were submitted on January 19, 2004, and they were clarified by Rothschild on January 28, 2004. Interim Administrator Tamayo stated that the Board has considered the proposals as identified on January 28, 2004, while taking into account the public presentations that were made on March 1, 2004, as well as the public commentary that was presented to the Board at the February 5 and March 4, 2004 meetings.

Joe Schorer, Kirkland & Ellis, was present on behalf of Emerald Casino, Inc. to request the Gaming Board to select a leading bidder for purposes of the auction that is to occur on March 10, 2004.

Interim Administrator Tamayo announced that the auction would be conducted by Rothschild on Wednesday, March 10, 2004 at the offices of Kirkland & Ellis. Interim Administrator Tamayo stated that the auction is open to the public with limited seating. Interim Administrator Tamayo stated that during the day of the auction, it is possible that the leading candidate could change as the auction proceeds.

Based on a detailed review of the three bid proposals for the acquisition of Emerald Casino, Inc. submitted on January 28, 2004, the public presentations made on March 1, 2004, public commentary made on February 5, 2004 and March 4, 2004, and having considered the analysis and recommendations of staff, Member Peterlin hereby moved that, **pursuant to the Side Letter to Emerald's Fourth Amended Plan of Reorganization and the Bid Procedures incorporated therein, to identify the following entity as the leading candidate for the auction to be conducted on March 10, 2004:**

- Harrah's Entertainment, Inc.

Member Clark seconded the motion. The Board approved the motion unanimously by voice vote.

At 10:55 A.M., Member Peterlin moved that **pursuant to Section 2 (c), paragraphs (1), (11), and (14) of the Open Meetings Act, the Board retire to Closed Session to discuss the following subject matters:**

- 1. Pending litigation and matters involving probable litigation;**
- 2. Investigations concerning applicants and licensees; and**
- 3. Personnel matters.**

Member Violet seconded the motion. The Board approved the motion unanimously by voice vote.

The Board adjourned at 11:00 A.M.

Respectfully submitted,
Monica Thomas

Secretary to the Board